

Gerald Thompson  
November 06, 2024

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IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

LANDSCAPE CONSULTANTS OF )  
TEXAS, INC., and )  
METROPOLITAN LANDSCAPE )  
MANAGEMENT, INC., )  
Plaintiffs, )  
v. ) Civil Action No. 4:23-cv-03516  
CITY OF HOUSTON, TEXAS, )  
and MIDTOWN MANAGEMENT )  
DISTRICT, )  
Defendants. )

ORAL VIDEOTAPED DEPOSITION OF

GERALD THOMPSON

November 6, 2024

ORAL VIDEOTAPED DEPOSITION OF GERALD THOMPSON,  
produced as a witness at the instance of the Defendants  
and duly sworn, was taken in the above-styled and  
numbered cause on the 6th day of November, 2024, from  
10:00 a.m. to 1:33 p.m., before Dawn McAfee, Certified  
Shorthand Reporter in and for the State of Texas,  
reported by computerized stenotype machine at the  
offices of Husch Blackwell LLP, 600 Travis Street, Suite  
2350, Houston, Texas 77002, pursuant to the Federal  
Rules of Civil Procedure and the provisions stated on  
the record or attached hereto.

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## ALSO PRESENT:

Mr. Orfelio De Ochoa Jr.  
HUSCH BLACKWELL LLP  
Mr. Bill Marsh - Videographer

Gerald Thompson  
November 06, 2024

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1 are here today, both, as Gerald Thompson and as the  
2 representative of both of those entities, correct?

3 (Exhibit 2 marked.)

4 A. Yes.

5 Q. And you've seen this document, I assume?

6 A. Yes.

7 Q. And you've looked at the topics that I said we  
8 would talk about today?

9 A. Yes.

10 Q. And you're familiar with, and you can speak on  
11 those topics on behalf of Landscape and Metropolitan?

12 A. Yes.

13 Q. All right. I understand that you are the owner  
14 in some percentage of Landscape, correct?

15 A. Yes.

16 Q. And what is that percentage?

17 A. 50 percent.

18 Q. 50 percent owner of Landscape?

19 A. Yes.

20 Q. Who owns the other 50 percent?

21 A. Theresa Thompson.

22 Q. Okay. That's your wife?

23 A. Yes.

24 Q. You also own Metropolitan?

25 A. Yes.

1 Q. Also 50 percent?

2 A. Yes.

3 Q. Okay. And the other 50 percent is owned by  
4 your wife?

5 A. Yes.

6 Q. Other than Metropolitan and Landscape, do you  
7 own other businesses?

8 A. We have another company called Thompson  
9 Companies, Inc. Originally, that was set up as the  
10 payroll processing company for the two landscape  
11 companies. It still is active in some consulting  
12 capacity for landscaping-type business work.

13 Q. Okay. So Metropolitan, Landscape, Thompson  
14 Companies, Inc., any other businesses that you -- you,  
15 individually, have an ownership interest in?

16 A. Yes.

17 Q. And what are those?

18 A. It's a rental property, LLC.

19 Q. And are we talking about a residential rental  
20 or a commercial rental?

21 A. Residential.

22 Q. Okay. Is that in the Houston area?

23 A. No.

24 Q. Okay. Is it in Texas?

25 A. No.

1 Q. Okay.

2 A. They each have separate EINs. And the reason  
3 why they did that, was that when the original seller  
4 purchased Metropolitan Landscape Management, he bought  
5 it to expand his business through an acquisition. And  
6 it just made sense to keep the brand loyalty, at the  
7 time, between the two companies.

8 Q. Did you inherit any contracts that Landscape  
9 and Metropolitan had when you purchased the two  
10 companies?

11 A. Yes.

12 Q. And tell me, generally, about those contracts.

13 A. That was a long time ago.

14 Q. Yeah. To the extent you can remember.

15 A. There were multiple contracts. It was a -- it  
16 was a thriving landscaping business. So, it had  
17 multiple contracts throughout the Houston and county  
18 area, metropolitan area, probably within a 50-mile  
19 radius. City of Sugar Land, City of Rosenberg. I think  
20 they were doing the Midtown Management District at the  
21 time. Just multiple different clients. I can't  
22 remember them all. That was quite a while ago.

23 Q. Generally, I understand that the vast majority  
24 of your current business is government contracts. Is it  
25 fair to say that that was the case when you purchased

1 the companies?

2 A. Yes.

3 Q. Okay. Has -- has the percentage of your work  
4 devoted to government contracts changed significantly  
5 since you purchased the companies, or varied over the  
6 years?

7 A. I think it's probably grown.

8 Q. Okay.

9 A. Significantly, probably -- yeah, significantly  
10 grown.

11 Q. Is that a -- is that a choice you have made, to  
12 pursue government contracts?

13 A. It's the niche business that we're in. We're  
14 familiar with the bidding process. We're familiar with  
15 the low-bid contracting aspects of the -- of the  
16 entities. We are -- we have all the -- we know all the  
17 types of insurance documents we need and the, you know,  
18 confidentiality kinds of things we need to have. So  
19 it's something we -- that's just our niche, basically.

20 We don't have a sales horse. We market  
21 our business through going to the websites and putting  
22 our -- our -- ringing the hat -- or hat in the ring.  
23 And when the bids come out, then we take a look at it,  
24 and we decide if we want to do them or not. If we can  
25 do them -- if they meet our -- our criteria, then go

1 A. That's -- that's by --

2 Q. Go with me, if you could, to page 5, paragraph  
3 14 at the top of the page.

4 A. Of Exhibit 3?

5 Q. Yes, sir.

6 A. Five?

7 Q. Page 5 of Exhibit 3, your Complaint.

8 A. Okay.

9 Q. And I'm looking at paragraph 14, right at the  
10 top of the page.

11 A. Okay.

12 Q. And you tell me that much of Metropolitan and  
13 Landscape's business depends on running government  
14 landscaping contracts, which account for between 80 and  
15 90 percent of their annual revenue. That's a -- that's  
16 a true statement?

17 A. Yes.

18 Q. Okay. Of that 80 to 90 percent, over the last  
19 five years, what percentage of that 80 to 90 percent has  
20 been on contracts with the City of Houston?

21 A. Let's see -- over the last five years?

22 Q. Let's start with that time frame.

23 A. Last five years, 10 percent.

24 Q. Okay. And is that on one or more contracts?

25 A. One contract.



1 Q. And there may be other smaller contracts, more  
2 than five years ago, that you don't remember.

3 A. I don't remember the exact amount or the  
4 contract specifically, no.

5 Q. Do -- do you remember if there were contracts  
6 at all?

7 A. For the City?

8 Q. For the City of Houston.

9 A. Before the -- in the past -- before the five  
10 years?

11 Q. Over the entire period of time you've owned  
12 Landscape.

13 A. Well, the one we have.

14 Q. Okay. Other than the one you've had, you can't  
15 recall a separate contract other than the current one?

16 A. I can't not recall it either.

17 Q. Sure. Is Landscape a successful business?

18 A. Yes.

19 Q. And how do you -- how do you define that? You  
20 answered, yes. What makes it a successful business to  
21 you?

22 A. Well, over the last 18 years, we have been able  
23 to meet our payroll. With all of our 40-some employees  
24 every week, never missed a payroll. We grow our  
25 revenues each year the best we can. And, you know, we

1 earn a pretty good living.

2 Q. What's Landscape's average yearly revenue over  
3 the last couple of years?

4 A. Probably around 3.2 million. We're talking  
5 combined.

6 Q. Sure. You're -- and, well, let me clarify  
7 that. When you say "combined," you mean you're  
8 combining Landscape and Metropolitan's revenues?

9 A. Yes.

10 Q. Can you give me an estimate of what Landscape's  
11 would have been on its own, or are there operations to  
12 intertwine for you to be able to do that?

13 A. Well, they have separate EINs, so probably  
14 60 percent would be Landscape Consultants and 40 percent  
15 would be Metropolitan. That's just an estimate.

16 Q. Sure. 3.2 million, roughly, combined. About  
17 60 percent of that attributable to Landscape and about  
18 40 percent of that attributable to Metropolitan, and  
19 that's revenue. What does the profit number look like  
20 after you take out your expenses, liabilities, et  
21 cetera?

22 THE WITNESS: Do I go ahead and answer  
23 that?

24 MS. WILCOX: Can you repeat the question?

25 Q. (By Mr. Stephens) We talked about the revenue

1 Q. Okay. How frequently do you have a big  
2 contract?

3 A. Do I have a big contract? How often do I have  
4 a big contract?

5 Q. How often do you have a big contract?

6 A. Big contract in the -- in the scheme of, like,  
7 one million?

8 Q. Yes.

9 A. We've had one.

10 Q. Okay. And that is the Harris County contract?

11 A. Yes.

12 Q. And now the Houston contract?

13 A. Well, that's over five years.

14 Q. Right.

15 A. The other one was annual.

16 Q. Right. So that's 1.3 over five?

17 A. Yes.

18 Q. Okay. I seem to recall having read somewhere  
19 that Landscape was owned 51 percent by you and  
20 Metropolitan was owned 51 percent by your wife. Is that  
21 accurate, or has that ever been accurate?

22 A. You know, I'm not really -- and I know that  
23 it's possible that Theresa was listed as 51 percent of  
24 Metropolitan because of the connection with the HUB  
25 program. But, other than that, we would be 50/50, just

1 correct?

2 A. Correct.

3 Q. Okay. Landscape has a current contract with  
4 the City of Houston?

5 A. Correct.

6 Q. And you can't recall if there may have been  
7 others in the past?

8 (Reporter clarification.)

9 A. That's correct.

10 Q. Has Metropolitan ever bid on a contract with  
11 the City of Houston?

12 A. No.

13 Q. And why not?

14 A. Landscape Consultants did.

15 Q. Okay. And what's -- what's the -- what's the  
16 thought process behind having one bid versus the other?

17 A. I think it's more of a matter of just kind of  
18 balancing the revenues of the two companies at one  
19 time -- just balancing the business. It really didn't  
20 matter, it's just how we did it. It's -- we decide each  
21 time, do we want to bid it under Metropolitan. There's  
22 no real specific reasoning that -- that's concrete, that  
23 that's why we did it that way.

24 Q. So there's nothing -- there's nothing unique to  
25 Landscape's business that leads you to say, "Okay, this

1 is the one we use to bid on Houston contracts as opposed  
2 to Sugar Land contracts"?

3 A. Correct.

4 Q. Okay. And nothing unique about Metropolitan's  
5 business that leads you to say, "Well, with  
6 Metropolitan, we're only bidding on Management District  
7 work or on West U work"?

8 A. No, not really.

9 Q. Okay. Functionally, they do the same thing.  
10 They could bid on the same contracts. You just make a  
11 -- kind of a game time election as to which -- which  
12 company you're going to use to bid on which contract?

13 A. No, not necessarily. You know, I mean, if we  
14 had a reputation -- if we had a contract under  
15 Metropolitan -- you're starting to spur my memory now.

16 But if we had a contract under  
17 Metropolitan that was very successful and we lost it  
18 because of low bid, if it comes out for bid again, they  
19 know us. They know our quality of service. That we  
20 would probably bid that again under Metropolitan.

21 Q. So they know the Metropolitan name. You've had  
22 a contract with -- I'm just using this as a  
23 hypothetical. But you've had a Metropolitan contract  
24 with Sugar Land before. If you wanted another Sugar  
25 Land contract, you would bid with Metropolitan again.

1 A. Right. But in that case, it's Landscape.

2 Q. Got it. Got it. Your current contract with  
3 the City of Houston, what is it for?

4 A. We provide services for multiple locations  
5 around the city. Different buildings, police -- police  
6 buildings, just general services contract for all the  
7 different locations that they have.

8 Q. Okay. So it's a goods and services contract?

9 A. I don't know. Is that what they call it? I  
10 don't know what they actually call it. It's a general  
11 services contract --

12 Q. You see yourself --

13 A. -- for those facilities.

14 Q. Sure. You see yourself as providing services  
15 to the City of Houston?

16 A. Yes.

17 Q. Okay. Would you characterize it as a  
18 construction contract?

19 A. Landscaping contract.

20 Q. Okay.

21 A. I mean that's -- that's the name of the  
22 contract, I think, is landscaping services. I don't  
23 know the exact name of it. I would have to go look.  
24 But -- so that's -- that's typically what we bid on, are  
25 landscaping-type contracts.

1 A. No.

2 Q. How -- how do you go about determining which  
3 subcontractor you would use? I mean, let's use a  
4 concrete example. Let's use your current contract with  
5 the City of Houston.

6 A. Uh-huh.

7 Q. I think you put a company called X Scapes (sic)  
8 Environmental on your bid.

9 A. Right. Correct.

10 Q. How did you find X Scapes?

11 A. Through the -- through the list.

12 Q. Okay. So, walk me through the process of, you  
13 looked at the list and then you were awarded a contract.  
14 What happens in between finding them on the list and  
15 awarding the contract with X Scapes?

16 A. That would be a better question for -- for the  
17 general manager. But my understanding of it is that we  
18 have -- we get it -- we get the bid -- we see the bid.  
19 It asks for a certain goal. It says you have to have a  
20 certified city contractor, subcontractor, minority  
21 contractor.

22 We go out and we get the list that they  
23 have available at that time, that's certified by the  
24 City. And we -- again, we only have, like, five to  
25 seven days to accomplish this, and reach out to the

1 first one that responds, because they're all the same to  
2 me. I don't know any of them, all right.

3 And so this person, X Scape, decided to  
4 sign on the contract, or -- or sign the commitment with  
5 us. So we submit that to the City. And then we get the  
6 contract, and we start performing the services.

7 Everything is being accomplished and completed as  
8 needed. No -- no service complaints.

9 We send an email to X Scape and say, "Hey,  
10 can you do these five locations for us this week? Give  
11 me a price." Okay. Nothing. Okay. So then we go  
12 about our business. Couple of months later -- oh, we  
13 get a -- we get a notice from the City, "Hey, you're not  
14 in compliance." So we send another email, "Hey, will  
15 you give us a price for those five locations?" Nothing.

16 A couple of weeks go by, "You're out of  
17 compliance. You've got to meet this goal." So we --  
18 and this is the only one we can use. I mean, we can't  
19 say, "Hey, we've got other -- " and we have done that.

20 We have other minority subcontractors that we use.  
21 They're just not certified by the City. So we try to  
22 submit those. "Can we use them?" "No, you have to use  
23 X Scape."

24 So this just goes on and on, and after a  
25 while it gets pretty tiring. And you just -- how many



1 times -- how many times do you have to make a good faith  
2 effort? Is it one? Is it ten? I mean, is it a  
3 hundred? I mean, we have a business to run. We don't  
4 have time to play games. We have to get this done.  
5 We're under contract.

6 Q. So at some point, do you just go ahead and do  
7 the work?

8 A. We have to. It's our contract.

9 Q. Do you get paid for doing that work?

10 A. Yes.

11 Q. Okay.

12 MS. WILCOX: So we've been going about, I  
13 think, a little over an hour. Would you guys like to  
14 take a break?

15 MR. STEPHENS: I was about to say, we've  
16 been going an hour. We can take a ten-minute break if  
17 you want a break.

18 THE WITNESS: Sure, that's fine.

19 THE VIDEOGRAPHER: 11:30, we're off the  
20 record.

21 (Break taken.)

22 THE VIDEOGRAPHER: This is the beginning  
23 of File Number 2 to the deposition of Gerald Thompson.  
24 The time is 11:45. We're on the record.

25 Q. (By Mr. Stephens) Welcome back, sir. Are you

1 that correct?

2 A. Yes.

3 Q. Okay. And you just told me you have no plans  
4 of retiring. I assume you have no plans on turning the  
5 business over to your son at any point; you intend to  
6 continue to own it?

7 A. I mean, he'll take on more and more  
8 responsibility, but not at this point --

9 Q. Okay.

10 A. -- not at this time.

11 Q. Okay. Okay. In the last two years, Landscape  
12 has successfully bid on and been awarded government  
13 contracts, including MBE participation goals, right?

14 A. Yes.

15 Q. And that includes more contracts -- it includes  
16 the City of Houston contract, and it includes some of  
17 the other contracts we talked about, like the Harris  
18 County contracts?

19 A. Yes.

20 Q. Do you intend to continue to bid on those kinds  
21 of contracts?

22 A. I have no choice in a lot -- in a lot of cases,  
23 because it's not like business is falling off the trees.  
24 So, you know, you have to make decisions. If you have  
25 40 employees, 45 employees, and you see where, you know,

Gerald Thompson  
November 06, 2024

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LANDSCAPE CONSULTANTS OF )  
TEXAS, INC., and )  
METROPOLITAN LANDSCAPE )  
MANAGEMENT, INC., )  
Plaintiffs, )

v. ) Civil Action No 4:23-cv-03516

CITY OF HOUSTON, TEXAS, )  
and MIDTOWN MANAGEMENT )  
DISTRICT, )  
Defendants. )

ORAL DEPOSITION OF GERALD THOMPSON

November 6, 2024

I, Dawn McAfee, Certified Shorthand Reporter  
in and for the State of Texas, do hereby certify to the  
following:

That the witness, GERALD THOMPSON, was duly  
sworn by the officer and that the transcript of the oral  
deposition is a true record of the testimony given by  
the witness;

I further certify that pursuant to FRCP Rule  
30(e)(1) that the signature of the deponent:

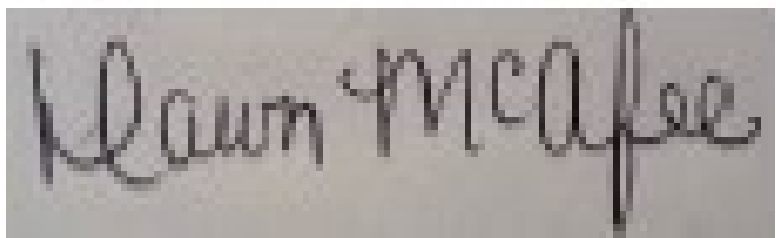
1           \_\_X\_\_ was requested by the deponent or a  
2 party before the completion of the deposition and is to  
3 be returned within 30 days from the date of receipt of  
4 the Signature Page contains any changes and the reasons  
5 therefor;

6           \_\_ was not requested by the deponent or a  
7 party before the completion of the deposition.

8           I further certify that I am neither counsel  
9 for, related to, nor employed by any of the parties or  
10 attorneys to the action in which this proceeding was  
11 taken. Further, I am not a relative or employee of any  
12 attorney of record in this cause, nor am I financially  
13 or otherwise interested in the outcome of the action.

14           Subscribed and sworn to on this \_\_\_\_\_  
15 day of \_\_\_\_\_, \_\_\_\_\_.  
16

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A handwritten signature in dark ink, reading "Dawn McAfee", is written over a horizontal line. The signature is cursive and somewhat stylized.

Dawn McAfee  
Texas CSR No. 4578  
Expiration Date: 09/30/25  
U.S. Legal Support  
16825 Northchase Drive  
Houston, Texas 77060  
Firm Registration No. 122